Ways and Means.

91. I shall now proceed to the ways and means budget for the next year. Such a budget gives the effect of the year's transactions on the balance with which the year started. The year's working of the Revenue account will leave us a surplus of Rs 8·67 lakhs taking up into account the funding of an amount of Rs 5 lakhs in the Distress Relief Fund. The capital schemes would absorb the entire amount and funds to the extent of Rs 45·85 lakhs should have to be drawn upon from these balances. To this should be added the net result of the operation of the so-called Debt and Deposit head transactions which would yield an addition of Rs ·02 of a lakh. When all these factors are taken into account the net position will leave a closing balance of Rs 66·14 lakhs *i. e.* a balance more or less equal to the balance with which we actually started the current year.

The question of ways and means apart from the provision required for the day to day transactions for which we have ample bank balances has not assumed any importance this year in view of the decision of Government not to raise a loan. The balances at the end of the year will be sufficient for repaying the 5 per cent. Loan of Rs 14·75 lakhs due on 1st Chingom and to give 1117 a start.

Conclusion.

92. I have now almost finished. I have attempted to give the House as faithful and accurate a picture of the finances of the country as I can. In dealing with budget estimates, Sir M. Visweswarayya in his treatise on "Planned Economy for India" has observed: "A general indication whether or not the finances of a country are satisfactory is usually supplied by a balanced Government budget and maintenance normally of a yearly trade balance in relation to foreign imports and exports." I have shown the House that our Budget is well balanced, that our revenues are not entirely static, that our resources especially in our commercial enterprises have vast financial possibilities, that burden of taxation is light and that it is equitably distributed and that the State, although it is second to none in the preservation and enforcement of law and order, is equally second to none in the interest it evinces in the poor and the distressed, the backward and the helpless. I have also recounted the work the State has been doing in the cause of education and medical relief, in the rural uplift and the development of cottage industries and all other nation building departments. The members are also aware that our export trade in normal times is nearly 10 crores and about 1/3 greater than our import trade and that we have always the balance of trade in our favour and that when normal conditions are restored, with her abundant natural resources brought into commission with the help of cheap power available and backed by the lessons learned

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[Mr. S. Sundararajan.]

during the interim period and with a master mind at its head to guide and control, the growth of trade is undoubted. Elsewhere in the detailed budget will be found a balance sheet of the assets and liabilities of the State which will show how carefully it has been husbanding its resources, how thoughtful it has been of the future and funded its resources for meeting distress and difficulties of all possible variety. Her debt position is an eloquent tribute to her credit-worthiness. On the whole the State has been holding fast to well recognised principles of public finance and has boldly faced difficulties whenever they arose. It has long outlived the stage of isolation and is now taking its rightful place with the rest of India. Let me therefore conclude with what an eminent Indian publicist has stated about this country.

"Educationally, the State is second to none in India; economically, it is exploiting its bountiful natural resources with the aid of the latest scientific methods; it has socialised its transport system; it has removed the economic disabilities of the backward classes by raising their social status; it has an administration based on the autonomous pattern of the provinces; it has a legislature with powers to vote and discuss its public and economic policy; and more important than these, it has at its head a Sovereign whose sole preoccupation is the progressive welfare of his subjects who is assisted by a statesman whose breadth of vision and capacity for service is universally recognised. There is nothing that the State of Travancore could not achieve under such inspiring circumstances."

Mr. J. E. A. PEREIRA (*Member Sri Mulam Assembly Commerce and Industry South*): Sir, with the permission of the Chair, I may point out one circumstance in this connection. Yesterday's 'Madras Mail' contains the forecast of the Budget of the Travancore Government for the year 1116 M. E. I wish to submit that it is the privilege *only* of the members of the two Houses to be given the Budget first and that the newspapers have the right to be given copies of the Budget later.

PRESIDENT: Officially, the first intimation that is to be given to the public is by means of the Budget statement. But forecasts of the Budgets are published all over the world in advance. It will interest the members to know that the forecast of the British Budget is published before its presentation in the Parliament. The American Budget in its main features is generally known to the public months before actual presentation. The point is that the public should have some idea of what is likely to be in store for them—either good or bad. Of course it must be recollected that these forecasts may not always turn out to be correct and may suffer last minute changes. These forecasts have often a stabilising effect.

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